

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 2, 1996

SUBJECT: **SB 2172 - HB 2106**

This bill, if enacted, will create the Automobile Theft Prevention Authority made up of a seven member Board of Directors appointed by the Governor with the consent of the General Assembly. Board members receive no compensation other than expenses and serve for five-year terms. The authority is administratively attached to the Department of Safety and dissolves on July 1, 2001.

The board is to assess and analyze the problem of automobile theft and create a plan for providing financial support to combat automobile theft. The bill creates the Automobile Theft Prevention Fund to pay the administrative costs of the authority, provide financial support to the Department of Safety and law enforcement agencies, provide grants to community organizations and fund education programs about automobile theft. The bill imposes a tax of \$1.00 on each automobile insured in the state to be paid by the insurers beginning July 1, 1997.

The fiscal impact of this bill is to increase state revenues by \$3,500,000 based on the \$1 tax on 3,500,000 insured automobiles in Tennessee. The fiscal impact of this bill is also to increase state

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expenditures by \$3,500,000 annually and \$24,200 in one-time expenditures, as follows:

	<u>Recurring</u>	<u>Non- Recurring</u>
Personnel (4)	\$ 82,600	
Office Expenses	<u>27,500</u>	<u>24,200</u>
Sub-Total	\$ 110,100	\$ 24,200
Program Grants	<u>\$ 3,389,900</u>	
Total	\$3,500,000	\$24,200

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director